

# House File 644 - Introduced

HOUSE FILE \_\_\_\_\_  
BY D. OLSON

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing for the purchase of special service credit under  
2 the Iowa public employees' retirement system.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 2670HH 82  
5 ec/gg/14

PAG LIN

1 1 Section 1. NEW SECTION. 97B.80D PURCHASES OF SPECIAL  
1 2 SERVICE CREDIT.  
1 3 1. A vested or retired member in special service who has  
1 4 five or more full calendar years of covered wages and who at  
1 5 any time was in regular service may make contributions to the  
1 6 retirement system to convert up to five years of regular  
1 7 service credit to special service credit as determined by the  
1 8 system, pursuant to Internal Revenue Code section 415(n) and  
1 9 the requirements of this section.  
1 10 2. A special service member making contributions for a  
1 11 purchase of special service credit under this section shall  
1 12 make contributions in an amount equal to the actuarial cost of  
1 13 converting the regular service credit to special service  
1 14 credit. For purposes of this subsection, the actuarial cost  
1 15 of the service purchase is an amount determined by the system  
1 16 in accordance with actuarial tables, as reported to the system  
1 17 by the system's actuary, which reflects the actuarial cost  
1 18 necessary to fund an increased retirement allowance resulting  
1 19 from the purchase of special service credit.  
1 20 3. The system shall ensure that the member, in exercising  
1 21 an option provided in this section, does not exceed the amount  
1 22 of annual additions to a member's account permitted pursuant  
1 23 to section 415 of the federal Internal Revenue Code.

### EXPLANATION

1 24 This bill provides that a vested or retired member of the  
1 25 Iowa public employees' retirement system (IPERS) in special  
1 26 service can convert up to five years of prior regular service  
1 27 credit under IPERS to special service credit by paying the  
1 28 actuarial cost of the purchase. Under IPERS, special service  
1 29 means service while employed in a protection occupation or as  
1 30 a sheriff, deputy sheriff, or airport fire fighter. The  
1 31 actuarial cost of the purchase is defined by the bill as the  
1 32 amount necessary to fund an increased retirement allowance  
1 33 resulting from the purchase of special service credit.

1 34  
1 35 LSB 2670HH 82

2 1 ec:nh/gg/14